

**July 5, 2005**  
**REQUEST FOR PROPOSALS**  
RENEWABLE ENERGY CERTIFICATES

Issued by:  
World Resources Institute  
on behalf of corporate partners in the  
GREEN POWER MARKET DEVELOPMENT GROUP

**BACKGROUND**

Convened in 2000 by the World Resources Institute, the Green Power Market Development Group is a unique commercial and industrial partnership dedicated to building corporate markets for green power. The Group is transforming energy markets to enable corporate buyers to diversify their energy portfolios and reduce their impact on climate change. Group partners are Alcoa Inc., Delphi Corporation, the Dow Chemical Company, DuPont, FedEx Kinko's, General Motors, IBM, Interface, Johnson & Johnson, NatureWorks LLC, Pitney Bowes, Staples, and Starbucks Coffee Company. More information is available at <http://www.thegreenpowergroup.org>.

A number of Green Power Group members have expressed interest in increasing their support for renewable energy by purchasing renewable energy certificates (RECs). The selected members seek proposals that are cost-competitive and that include RECs from regions of the country (power pools) that have the highest carbon dioxide emissions per MWh of electricity generation.

The purpose of this request for proposals (RFP) is to receive quotes/offers from prospective REC suppliers for members of the Green Power Market Development Group. WRI also plans to share proposal results with members of its Climate Northeast Partnership (see <http://www.climatenortheast.org> for more information), several of which are interested in pursuing RECs as well.

Responses to this RFP will be due via e-mail by 5:00 Eastern, July 26, 2005. The following pages provide further details on the RFP parameters.



## RESPONSE CRITERIA

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**TYPE OF PRODUCT:** The Group members are seeking renewable energy certificates (RECs).

**QUANTITY:** Please provide pricing for RECs in the following volumes (or for as much as you can supply):

- 50,000 MWh / year
- 100,000 MWh / year
- 250,000 MWh / year

**ELIGIBLE RENEWABLE RESOURCES:** Wind, landfill gas, biomass, geothermal, solar, and low-impact hydro RECs are all eligible. Each respondent should include at least one quote for **100% wind-generated** RECs. If possible, please supplement your proposal with additional quotes for REC packages from other renewable resources or resource mixes. Please specify the remaining resource(s).

**VINTAGE:** The RECs should meet the Green-e® certification standard for eligible vintages. If supply might deviate from this criterion, please explain.

**TERM:** Please provide quotes for contract periods of 1, 2, 3, and 5 years.

**PRICING:** Please provide prices in U.S. dollars (inclusive all applicable taxes, charges and service fees) on a levelized basis for the proposed contract terms. Please indicate any additional discounts for volume and/or contract periods that are available, and specify any alternative or flexible pricing structures that you offer. *Preference will be given to RECs that are the most cost-competitive.* In addition, *please state the latest date through which your quoted prices are guaranteed to be available.*

**LOCATION OF REC SOURCE:** Only renewable resources located within the United States will be considered. *Preference will be given to RECs that support projects in the most carbon dioxide emissions-intensive power pools (as provided by the U.S. EPA's E-GRID database, using E-GRID "subregions").* Please specify the location of renewable power generation (e.g., state, NERC or E-GRID power pool) for each quote provided.

**DELIVERY:** Respondents should be able to start delivery of the RECs sometime between September 1, 2005 and January 1, 2006. Please indicate the likely delivery start date.

**THIRD PARTY CERTIFICATION:** *Preference will be given to RECs that are Green-e® certified (or certifiable).* The cost of certification should be borne by the respondent. If the RECs are not Green-e® certified (or certifiable), please state in



writing the reason why and indicate how the buyer will be assured that the RECs are not being “double-sold.”

**NEW RENEWABLE GENERATION:** All of the RECs should come from new renewable power generation units. At a minimum, the facility should be “new” as defined by the Green-e® certification standard for the state in which the facility is located. *Preference will be given to green power and/or RECs from facilities that began operation in 2005 or 2004.*

**RPS “DOUBLE COUNTING”:** RECs utilized to meet a state renewable portfolio standard (RPS) are *not* eligible. Please indicate in writing that the RECs being offered have *not* been used to meet a state RPS.

**COMPANY QUALIFICATIONS & EXPERIENCE:** Respondents should provide information regarding qualifications and experiences. If a respondent is a consortium of two or more companies, separate descriptions for each entity should be included as well as a description of the relationship between the entities for the purpose of this response.

**PUBLIC RELATIONS SUPPORT:** Please include information on the marketing or public relations assistance that you provide to customers (if applicable).

**FINANCIAL STATUS (OPTIONAL):** Responses may include the following financial information for each party involved in the response: (1) Current annual report for each entity (if an annual report is not available, then a listing of assets, liabilities and cash flow would be sufficient); (2) Most recent profit & loss statement for each entity; (3) DUNS #; and (4) S&P, Moody’s and/or Fitch Debt rating.

**CONTRACT TERMS AND CONDITIONS:** Please provide information regarding billing and payment terms (including options for frequency), delivery and title transfer, and performance guarantees/penalties for non-delivery.

**FERC RULING ATTESTATION:** 105 FERC P. 61,004 states that RECs generated by a Qualifying Facility under a PURPA contract accrue to the generator unless conveyed to the purchasing utility under the authority of state law. Please indicate in writing that any RECs offered from a Qualifying Facility legally can be transferred to the buyer and do not have a competing claim on their ownership.

**OTHER INFORMATION:** Please submit any additional information that may be helpful in evaluating the response.



## GENERAL CONDITIONS

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RESPONSE FORMAT: To the extent applicable, please submit responses in the following format. Prices should be specified in \$/MWh.

| <i>Illustrative</i>                   |                              |                                   |                      |                |        |        |        |
|---------------------------------------|------------------------------|-----------------------------------|----------------------|----------------|--------|--------|--------|
| Resources*<br>and % mix               | Location<br>of<br>generation | Yr facility<br>began<br>operation | Volume**<br>(MWh/yr) | Price (\$/MWh) |        |        |        |
|                                       |                              |                                   |                      | 1 yr           | 2 yr   | 3 yr   | 5 yr   |
| Wind<br>(100%)                        | TX<br>(ERCOT)                | 2005                              | 50,000               | \$w.ww         | \$x.xx | \$y.yy | \$z.zz |
| Wind (70%)<br>and<br>Biomass<br>(30%) | ND<br>(MAPP)                 | 2004                              | 100,000              | \$w.ww         | \$x.xx | \$y.yy | \$z.zz |
|                                       |                              | 2003                              |                      |                |        |        |        |

\* For RECs from biomass plants, please specify the type of feedstock (e.g., mill residues, urban waste wood, bagasse). For RECs from low-impact hydropower facilities, please specify whether or not the source has been certified by the Low Impact Hydro Institute.

\*\* Please complete a separate line for each of the requested volumes.

EVALUATION PROCESS: Green Power Group members participating in this RFP will evaluate all responses based upon the criteria detailed in the preceding section. Participating Group members may elect either to make a joint purchase from a single supplier or to purchase RECs from more than one supplier. After reviewing the proposals, WRI or interested Group members will contact those respondents whose responses most closely meet the requirements above.

CONFIDENTIALITY: Unless required by law, court mandate or government agency having the appropriate jurisdiction, any information marked "Confidential" will not be disclosed to parties other than WRI, WRI's Green Power Market Development Group, and WRI's Climate Northeast partnership. WRI will assume it can share your proposal with members of Climate Northeast *unless* you indicate in writing that you do not want the content of your proposals shared with the partnership or selected members of the partnership.

INQUIRIES: For inquiries concerning this RFP, please contact Craig Hanson, Senior Associate, Sustainable Enterprise Program, World Resources Institute, e-mail: [chanson@wri.org](mailto:chanson@wri.org), tel: 202-729-7624.

RESPONSE SUBMISSION: Please submit responses electronically by 5:00 p.m. Eastern, July 26, 2005 to Craig Hanson at [chanson@wri.org](mailto:chanson@wri.org). Include in the subject heading "2005 Green Power Group RFP".

**DISCLAIMER: THIS REQUEST FOR QUOTES DOES NOT BIND IN ANY WAY AND DOES NOT REPRESENT A CONTRACTUAL COMMITMENT ON THE PART OF WRI, THE MEMBERS OF THE GREEN POWER MARKET DEVELOPMENT GROUP, OR THE CLIMATE NORTHEAST PARTNERSHIP.**

